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MODESTO MARIJUANA COLLECTIVE OWNERS SENTENCED FOR CONDUCTING A CONTINUING CRIMINAL ENTERPRISE

FRESNO, Calif.—United States Attorney McGregor Scott and DEA Special Agent in Charge Javier F. Peña announced today that United States District Judge Oliver W. Wanger sentenced LUKE ANTHONY SCARMAZZO, 28, of Modesto, Calif. to 21 years and 10 months and RICARDO RUIZ MONTES, 28, of Modesto, to 20 years for conducting a continuing criminal enterprise, manufacturing marijuana, and possessing marijuana with the intent to distribute.

This case was the result of a significant investigation by the Drug Enforcement Administration, Modesto Police Department, Stanislaus Drug Enforcement Agency, and the Central Valley High Intensity Drug Task Force.

According to Assistant United States Attorneys Kathleen Servatius and Elana Landau, who prosecuted the case, SCARMAZZO and MONTES obtained a business license from the City of Modesto by falsely representing that their business, California Healthcare Collective (CHC), would engage in “retail sales of natural healthcare products.” However, they actually limited their business to marijuana sales.

Filings with the City of Modesto indicated that CHC earned more than \$4.5 million in 2004–2006. However, the evidence at trial established that the defendants actually generated over \$9 million in sales. Much of that money was funneled into personal purchases and private accounts of the defendants and their families, such as SCARMAZZO’s purchase of a \$184,000 Mercedes and \$130,000 cash stored in a safe deposit box.

“These two individuals cynically exploited the will of the voters who passed Proposition 215, making millions in the process. Today’s severe sentence should be heard loud and clear by those concocting similar schemes,” U.S. Attorney Scott stated.

DEA Special Agent in Charge Peña said, “Unlike a music video, this sentencing reflects the real life consequences of drug trafficking. Individuals interested in becoming a so-called businessman, as was demonstrated in this case, be warned of the potential penalties involved when convicted of the serious charges relating to the distribution of marijuana.”

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